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 Seoul Semiconductor, Inc.

UNITED STATES DISTRICT COURT  
 NORTHERN DISTRICT OF CALIFORNIA  
 SAN FRANCISCO DIVISION

Nichia Corporation,  
  
 Plaintiff,  
  
 v.  
  
 Seoul Semiconductor Ltd., Seoul Semiconductor,  
 Inc., Creative Technology, Ltd., Creative Labs,  
 Inc., and Creative Holdings, Inc.,  
  
 Defendants.

No. 3:06-CV-0162 (MMC)

**ANSWER OF DEFENDANT SEOUL  
 SEMICONDUCTOR, INC. TO  
 PLAINTIFF NICHIA  
 CORPORATION'S COMPLAINT  
 AND COUNTERCLAIMS**

**DEMAND FOR JURY TRIAL**

Place: Courtroom 7, 19th Floor  
 Judge: Hon. Maxine M. Chesney

Defendant Seoul Semiconductor, Inc. ("Seoul Semiconductor USA"), answers the  
 Complaint of Plaintiff Nichia Corporation ("Nichia") as follows:

**JURISDICTION AND VENUE**

1. Seoul Semiconductor USA admits that the Complaint alleges patent  
 infringement and that the Court has subject matter jurisdiction over the action under 28 U.S.C.

1 §§ 1331, 1338(a), and 1367(a).

2 2. For the purposes of this action, Seoul Semiconductor USA admits that  
3 venue is proper in the Northern District of California with respect to Seoul Semiconductor USA,  
4 but denies the remainder of the allegations of Paragraph 2 to the extent that they are directed to  
5 Seoul Semiconductor USA. Seoul Semiconductor USA is without information sufficient to  
6 admit or deny the allegations of Paragraph 2 with respect to the other Defendants, and therefore  
7 denies them.

### 8 THE PARTIES

9 3. Seoul Semiconductor USA is without information sufficient to admit or  
10 deny the allegations of Paragraph 3, and therefore denies them.

11 4. Seoul Semiconductor USA admits that Seoul Semiconductor Co., Ltd. is  
12 organized under the laws of the Republic of Korea, with its principal place of business at 148-29,  
13 Gasan-Dong, Geumcheon-Gu, Seoul, Republic of Korea.

14 5. Seoul Semiconductor USA admits that it is organized under the laws of  
15 California and that its principal place of business is at 5122 Katella Avenue, Suite 302, Los  
16 Alamitos, California 90720.

17 6. Seoul Semiconductor USA is without information sufficient to admit or  
18 deny the allegations of Paragraph 6, and therefore denies them.

19 7. Seoul Semiconductor USA is without information sufficient to admit or  
20 deny the allegations of Paragraph 7, and therefore denies them.

21 8. Seoul Semiconductor USA is without information sufficient to admit or  
22 deny the allegations of Paragraph 8, and therefore denies them.

23 9. Paragraph 9 of the Complaint states legal conclusions to which no  
24 response is required. To the extent a response is required, Seoul Semiconductor USA admits  
25 contacts with this Judicial District, but denies placing products accused of infringement into the  
26 stream of commerce knowing and expecting that such products would end up in this Judicial

District. Seoul Semiconductor USA is without information sufficient to admit or deny the allegations of Paragraph 9 with respect to the other Defendants, and therefore denies them.

### **ALLEGATIONS COMMON TO ALL CLAIMS FOR RELIEF**

10. Seoul Semiconductor USA is without information sufficient to admit or deny the allegations of Paragraph 10, and therefore denies them.

11. Seoul Semiconductor USA admits that Exhibit 1 to the Complaint is a copy of U.S. Patent No. D491,538 (“the ‘538 patent”), appearing to bear an issue date of June 15, 2004. Seoul Semiconductor USA denies that the ‘538 patent was duly and legally issued. Seoul Semiconductor USA is without information sufficient to admit or deny the remaining allegations of Paragraph 11, and therefore denies them.

12. Seoul Semiconductor USA admits that, on its face, the Claim of U.S. Patent No. D491,538 states “I claim the ornamental design for a light emitting diode, as shown and described,” but otherwise denies the allegations of Paragraph 12.

13. Seoul Semiconductor USA admits that Exhibit 2 to the Complaint is a copy of U.S. Patent No. D490,784 (“the ‘784 patent”), appearing to bear an issue date of June 1, 2004. Seoul Semiconductor USA denies that the ‘784 patent was duly and legally issued. Seoul Semiconductor USA is without information sufficient to admit or deny the remaining allegations of Paragraph 13, and therefore denies them.

14. Seoul Semiconductor USA admits that, on its face, the Claim of U.S. Patent No. D490,784 states “I claim the ornamental design for a light emitting diode, as shown and described,” but otherwise denies the allegations of Paragraph 14.

15. Seoul Semiconductor USA admits that Exhibit 3 to the Complaint is a copy of U.S. Patent No. D503,388 (“the ‘388 patent”), appearing to bear an issue date of March 29, 2005. Seoul Semiconductor USA denies that the ‘388 patent was duly and legally issued. Seoul Semiconductor USA is without information sufficient to admit or deny the remaining allegations of Paragraph 15, and therefore denies them.

1                   16.     Seoul Semiconductor USA admits that, on its face, the Claim of U.S.  
2 Patent No. D503,388 states “I claim the ornamental design for a light emitting diode, as shown  
3 and described,” but otherwise denies the allegations of Paragraph 16.

4                   17.     Seoul Semiconductor USA admits that Exhibit 4 to the Complaint is a  
5 copy of U.S. Patent No. D499,385 (“the ‘385 patent”), appearing to bear an issue date of  
6 December 7, 2004. Seoul Semiconductor USA denies that the ‘385 patent was duly and legally  
7 issued. Seoul Semiconductor USA is without information sufficient to admit or deny the  
8 remaining allegations of Paragraph 17, and therefore denies them.

9                   18.     Seoul Semiconductor USA admits that, on its face, the Claim of U.S.  
10 Patent No. D499,385 states “I claim the ornamental design for a light emitting diode, as shown  
11 and described,” but otherwise denies the allegations of Paragraph 18.

12                  19.     Seoul Semiconductor USA is without information sufficient to admit or  
13 deny the allegations of Paragraph 19, and therefore denies them.

14                  20.     Seoul Semiconductor USA denies that it imports and distributes into the  
15 United States light emitting diodes (“LEDs”) manufactured by Seoul Semiconductor Co., Ltd.  
16 Seoul Semiconductor USA admits that it markets LEDs manufactured by Seoul Semiconductor  
17 Co., Ltd. in this Judicial District, in California, and throughout the United States, but denies that  
18 it distributes LEDs manufactured by Seoul Semiconductor Co., Ltd. in this Judicial District, in  
19 California, or throughout the United States.

20                  21.     Seoul Semiconductor USA is without information sufficient to admit or  
21 deny the allegations of Paragraph 21, and therefore denies them.

22                  22.     Seoul Semiconductor USA is without information sufficient to admit or  
23 deny the allegations of Paragraph 22, and therefore denies them.

24                  23.     Seoul Semiconductor USA is without information sufficient to admit or  
25 deny the allegations of Paragraph 23, and therefore denies them.

26

**FIRST COUNT – PATENT INFRINGEMENT (‘538 Patent)**

24. No response is required to Paragraph 24. Seoul Semiconductor USA incorporates by reference Paragraphs 1-23 of this Answer.

25. Seoul Semiconductor USA denies the allegations of Paragraph 25 to the extent that they are directed to Seoul Semiconductor USA. Seoul Semiconductor USA is without information sufficient to admit or deny the allegations of Paragraph 25 with respect to the other Defendants, and therefore denies them.

26. Seoul Semiconductor USA denies the allegations of Paragraph 26 to the extent that they are directed to Seoul Semiconductor USA. Seoul Semiconductor USA is without information sufficient to admit or deny the allegations of Paragraph 26 with respect to other Defendants, and therefore denies them.

27. Seoul Semiconductor USA is without information sufficient to admit or deny the allegations of Paragraph 27, and therefore denies them.

28. Seoul Semiconductor USA denies the allegations of Paragraph 28 to the extent that they are directed to Seoul Semiconductor USA. Seoul Semiconductor USA is without information sufficient to admit or deny the allegations of Paragraph 28 with respect to other Defendants, and therefore denies them.

**SECOND COUNT – PATENT INFRINGEMENT (‘784 Patent)**

29. No response is required to Paragraph 29. Seoul Semiconductor USA incorporates by reference Paragraphs 1-28 of this Answer.

30. Seoul Semiconductor USA denies the allegations of Paragraph 30 to the extent that they are directed to Seoul Semiconductor USA. Seoul Semiconductor USA is without information sufficient to admit or deny the allegations of Paragraph 30 with respect to the other Defendants, and therefore denies them.

31. Seoul Semiconductor USA denies the allegations of Paragraph 31 to the extent that they are directed to Seoul Semiconductor USA. Seoul Semiconductor USA is

1 without information sufficient to admit or deny the allegations of Paragraph 31 with respect to  
 2 other Defendants, and therefore denies them.

3 32. Seoul Semiconductor USA is without information sufficient to admit or  
 4 deny the allegations of Paragraph 32, and therefore denies them.

5 33. Seoul Semiconductor USA denies the allegations of Paragraph 33 to the  
 6 extent that they are directed to Seoul Semiconductor USA. Seoul Semiconductor USA is  
 7 without information sufficient to admit or deny the allegations of Paragraph 33 with respect to  
 8 other Defendants, and therefore denies them.

9 **THIRD COUNT – PATENT INFRINGEMENT (‘388 Patent)**

10 34. No response is required to Paragraph 34. Seoul Semiconductor USA  
 11 incorporates by reference Paragraphs 1-33 of this Answer.

12 35. Seoul Semiconductor USA denies the allegations of Paragraph 35 to the  
 13 extent that they are directed to Seoul Semiconductor USA. Seoul Semiconductor USA is  
 14 without information sufficient to admit or deny the allegations of Paragraph 35 with respect to  
 15 the other Defendants, and therefore denies them.

16 36. Seoul Semiconductor USA denies the allegations of Paragraph 36 to the  
 17 extent that they are directed to Seoul Semiconductor USA. Seoul Semiconductor USA is  
 18 without information sufficient to admit or deny the allegations of Paragraph 36 with respect to  
 19 other Defendants, and therefore denies them.

20 37. Seoul Semiconductor USA is without information sufficient to admit or  
 21 deny the allegations of Paragraph 37, and therefore denies them.

22 38. Seoul Semiconductor USA denies the allegations of Paragraph 38 to the  
 23 extent that they are directed to Seoul Semiconductor USA. Seoul Semiconductor USA is  
 24 without information sufficient to admit or deny the allegations of Paragraph 38 with respect to  
 25 other Defendants, and therefore denies them.

26

**FOURTH COUNT – PATENT INFRINGEMENT (‘385 Patent)**

39. No response is required to Paragraph 39. Seoul Semiconductor USA incorporates by reference Paragraphs 1-38 of this Answer.

40. Seoul Semiconductor USA denies the allegations of Paragraph 40 to the extent that they are directed to Seoul Semiconductor USA. Seoul Semiconductor USA is without information sufficient to admit or deny the allegations of Paragraph 40 with respect to the other Defendants, and therefore denies them.

41. Seoul Semiconductor USA denies the allegations of Paragraph 41 to the extent that they are directed to Seoul Semiconductor USA. Seoul Semiconductor USA is without information sufficient to admit or deny the allegations of Paragraph 41 with respect to other Defendants, and therefore denies them.

42. Seoul Semiconductor USA is without information sufficient to admit or deny the allegations of Paragraph 42, and therefore denies them.

43. Seoul Semiconductor USA denies the allegations of Paragraph 43 to the extent that they are directed to Seoul Semiconductor USA. Seoul Semiconductor USA is without information sufficient to admit or deny the allegations of Paragraph 43 with respect to other Defendants, and therefore denies them.

**AFFIRMATIVE DEFENSES**

Seoul Semiconductor USA alleges the following affirmative defenses:

**FIRST AFFIRMATIVE DEFENSE**

**(Failure to State a Claim)**

The Complaint fails to state a claim against Seoul Semiconductor USA upon which relief can be granted.

**SECOND AFFIRMATIVE DEFENSE**

**(Non-Infringement)**

Seoul Semiconductor USA has not infringed and does not infringe, has not

1 contributed and does not contribute to the infringement of, has not actively induced and does not  
2 actively induce others to infringe, and has not been induced by others to infringe, directly or  
3 indirectly, willfully or otherwise, any valid and enforceable claim of the '538, '784, '388, or '385  
4 patents.

5 **THIRD AFFIRMATIVE DEFENSE**

6 **(Invalidity)**

7 Each and every claim of the '538, '784, '388, and '385 patents is invalid and/or  
8 unenforceable for failing to meet one or more of the requirements of patentability specified in  
9 Title 35 of the United States Code, including but not limited to, 35 U.S.C. §§ 102, 103, 119,  
10 and/or 171.

11 **FOURTH AFFIRMATIVE DEFENSE**

12 **(Not a Proper Party to the Action)**

13 Seoul Semiconductor USA does not make, use, sell, or offer for sale, the accused  
14 products in the United States and is therefore not a proper party to this action.

15 **FIFTH AFFIRMATIVE DEFENSE**

16 **(Failure to Mark or Provide Notice)**

17 Plaintiff's claims for relief are barred, in whole or in part, by failure to comply  
18 with the notice requirements of 35 U.S.C. § 287(a).

19 **SIXTH AFFIRMATIVE DEFENSE**

20 **(Laches, Waiver, Estoppel, Unclean Hands)**

21 Plaintiff's claims for relief are barred, in whole or in part, by equitable doctrines  
22 of laches, waiver, estoppel, and/or unclean hands.

23 **SEVENTH AFFIRMATIVE DEFENSE**

24 **(Inequitable Conduct)**

25 Plaintiff's claims for relief are barred, in whole or in part, because the '538, '784,  
26 '388, and '385 patents are unenforceable for inequitable conduct by the Patentee and/or others



involved in the prosecution of the application of these patents.

## **EIGHTH AFFIRMATIVE DEFENSE**

### **(Additional Defenses)**

Seoul Semiconductor USA intends to rely upon any additional affirmative defenses and/or counterclaims that become available or apparent during discovery and reserves its right to amend this Answer to assert additional affirmative defenses and counterclaims and/or to modify the affirmative defenses and counterclaims contained herein, as discovery proceeds.

## **COUNTERCLAIMS**

For its counterclaims against Nichia Corporation (“Nichia”), Seoul Semiconductor, Inc. (“Seoul Semiconductor USA”) alleges as follows:

### **JURISDICTION AND VENUE**

1. This Court has supplemental jurisdiction over the subject matter of this Counterclaim pursuant to 28 U.S.C. § 1367(a) because it consists of claims that are related to the transaction or occurrence that is the subject of the underlying action. This Court also has independent jurisdiction over the subject matter of this Counterclaim pursuant to 28 U.S.C. §§ 1331 and 1338(a) and may declare the rights of interested parties pursuant to 28 U.S.C. § 2201.

2. Venue is proper in this Court pursuant to 28 U.S.C. § 1391(d) and because Nichia commenced this action in this Judicial District.

### **PARTIES**

3. Seoul Semiconductor USA is a corporation organized and existing under the laws of California, and has its principal place of business at 5122 Katella Avenue, Suite 302, Los Alamitos, California 90720.

4. Upon information and belief, Nichia is a corporation organized and existing under the laws of Japan, and has its principal place of business at 491 Oka, Kaminaka-Cho, Anan-Shi, Tokushima, Japan 774-8601.

**FIRST COUNTERCLAIM**

**(Non-Infringement)**

5. Seoul Semiconductor USA re-alleges and incorporates the allegations set forth in Paragraphs 1-4 of its Counterclaims.

6. There exists an actual case or controversy between Seoul Semiconductor USA and Nichia concerning the alleged infringement of the '538, '784, '388, and '385 patents by virtue of the Complaint and Answer in this action.

7. Seoul Semiconductor USA has not infringed and does not infringe, has not contributed and does not contribute to the infringement of, has not actively induced and does not actively induce others to infringe, and has not been induced by others to infringe, directly or indirectly, willfully or otherwise, any valid and enforceable claim of the '538, '784, '388, or '385 patents.

8. Seoul Semiconductor USA seeks a declaration from this Court that Seoul Semiconductor USA does not infringe any claim of the '538, '784, '388, or '385 patents.

9. In the alternative, Seoul Semiconductor USA seeks a declaration from this Court that any alleged infringement by Seoul Semiconductor USA would not be actionable by Nichia by virtue of one or more of the Affirmative Defenses listed in its Answer.

**SECOND COUNTERCLAIM**

**(Invalidity)**

10. Seoul Semiconductor USA re-alleges and incorporates the allegations set forth in Paragraphs 1-9 of its Counterclaims.

11. There exists an actual case or controversy between Seoul Semiconductor USA and Nichia concerning the alleged infringement of the '538, '784, '388, and '385 patents by virtue of the Complaint and Answer in this action.

12. Each claim of the '538, '784, '388, and '385 patents is invalid and unenforceable for failing to meet one or more of the requirements of patentability specified in

1 Title 35 of the United States Code, including but not limited to, 35 U.S.C. §§ 102, 103, 119,  
2 and/or 171.

3 13. Seoul Semiconductor USA seeks a declaration from this Court that the  
4 claims of the '538, '784, '388, and '385 patents are invalid and unenforceable.

### 5 **THIRD COUNTERCLAIM**

#### 6 **(Unenforceability)**

7 14. Seoul Semiconductor USA re-alleges and incorporates the allegations set  
8 forth in Paragraphs 1-13 of its Counterclaims.

9 15. There exists an actual case or controversy between Seoul Semiconductor  
10 USA and Nichia concerning the alleged infringement of the '538, '784, '388, and '385 patents by  
11 virtue of the Complaint and Answer in this action.

12 16. Each claim of the '538, '784, '388, and '385 patents is unenforceable.

13 17. Seoul Semiconductor USA seeks a declaration from this Court that the  
14 claims of the '538, '784, '388, or '385 patents are unenforceable.

15 18. The continued assertion of the '538, '784, '388, and '385 patents against  
16 Seoul Semiconductor USA despite the non-infringement, invalidity, and unenforceability of the  
17 claims of these patents makes this an exceptional case under 35 U.S.C. § 285.

### 18 **PRAYER FOR RELIEF**

19 WHEREFORE, Seoul Semiconductor USA prays for a declaration and judgment in its  
20 favor against Nichia for the following relief:

21 A. For an Order declaring that Seoul Semiconductor USA has not infringed  
22 and does not infringe, has not contributed and does not contribute to the infringement of, has not  
23 actively induced and does not actively induce others to infringe, and has not been induced by  
24 others to infringe, directly or indirectly, willfully or otherwise, the claims of the '538, '784, '388,  
25 and '385 patents;

26 B. For an Order declaring that the claims of the '538, '784, '388, and '385

1 patents are invalid;

2 C. For an Order declaring that the claims of the '538, '784, '388, and '385

3 patents are unenforceable;

4 D. For an Order entering judgment in favor of Seoul Semiconductor USA;

5 E. For an Order dismissing with prejudice Nichia's Complaint for patent

6 infringement;

7 F. For an Order declaring this case exceptional pursuant to 35 U.S.C. § 285,

8 or any other applicable statute or rule, and awarding costs and attorneys' fees to Seoul

9 Semiconductor USA;

10 G. That Nichia take nothing from its Complaint; and

11 H. For such other and further relief as this Court may deem just and proper.

12  
13 **DEMAND FOR JURY TRIAL**

14 Seoul Semiconductor USA demands a trial by jury of all issues that may be so

15 tried.

16 **CERTIFICATION PURSUANT TO CIVIL L.R. 3-16**

17 Pursuant to Civil L.R. 3-16, the undersigned certifies that as of this date, other

18 than the named parties, there is no such interest to report.

19  
20 DATED: April 5, 2006

21 BINGHAM McCUTCHEN LLP

22  
23  
24 By: /s/ Beth H. Parker  
Beth H. Parker  
Attorneys for Defendant  
25 Seoul Semiconductor, Inc.  
26